United Nations DP/DCP/LAO/3

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

Distr.: General
8 July 2016

Original: English

Second regular session 2016
6-9 September 2016, New York
Item 3 of the provisional agenda
Country programmes and related matters

Country programme document for the Lao People's Democratic Republic (2017-2021)

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16-11895(E) 180716

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I. Programme rationale

1. The Lao People's Democratic Republic is a landlocked[1] least developed country of 6.5 million people. Since 1990 the country's ranking on the Human Development Index has increased 45 per cent, from 0.397 to 0.575.[2] Life expectancy at birth has increased from 53.6 to 66.2 years, and years of schooling from 6.7 to 10.6.[3] In 2011, the World Bank raised the country's income categorization to lower middle income. Graduation from least-developed-country status is a high priority in the 8th National Socio-Economic Development Plan (NSEDP) 2016-2020.

2. The country achieved its Millennium Development Goal targets on poverty, hunger reduction and access to safe water and sanitation. Significant challenges remain with respect to food security and nutrition; an estimated 44 per cent of children under 5 are stunted, and 27 per cent are severely underweight.[4] Maternal mortality remains high. The country faces low completion rates at all levels of education and a wide gender gap, especially at secondary and tertiary levels.[5] While the Constitution and many laws seek to advance gender equality, enforcement is weak. Little progress has been made in improving environmental sustainability, reversing forest loss and clearing land contaminated by unexploded ordnance (UXO).[6]

3. Potential economic vulnerabilities include high reliance on natural resources, low levels of social protection and geographical constraints. Improvements are also required to the institutional and regulatory enabling environment to take full advantage of the increasingly free flow of goods, capital and skilled labour within the Association of Southeast Asian Nations (ASEAN) Economic Community (AEC).

4. Economic growth has been strong, but it is neither inclusive nor balanced. Growth in gross domestic product (GDP) has averaged 7.9 per cent since 2006.[7] Poverty has been halved, from 46 per cent in 1992/1993 to 23 per cent in 2012/2013.[8] However, while the economy continues to grow rapidly, inequalities are increasing, in particular within urban areas and between urban and rural areas.[9, 10] Rural poverty rates are around three times higher than urban rates, and growth has primarily benefited those already better off. Poverty declined by just 0.47 per cent for every 1 per cent increase in GDP per capita between 2007/2008 and 2012/2013.[11] Consumption among the richest 20 per cent of households has grown almost two times faster than among the poorest 40 per cent in this period.[12] Consequently, the Gini coefficient increased from 36.6 in 2007 to 37.9 in 2012.[13] While the unemployment rate is low, at 1.9 per cent in 2010, women's share of wage employment is only 35 per cent.[14] Women from ethnic groups tend to move to their husbands' homes or communities, which can limit their access to education, employment opportunities outside the home, and land title and inheritance rights.[15]

5. The non-agricultural resource sector drives the country's economic expansion. With its high capital-to-labour ratio, this sector generated 18 per cent of GDP in 2013 while employing only

[1] Also referred to as 'land linked', particularly in the Lao People's Democratic Republic.
[2] UNDP, *Human Development Report*, 2015.
[3] Ibid.
[4] Lao PDR Statistics Bureau, *Lao Social Indicator Survey (LSIS) 2011-12*, 2012
[5] United Nations *Country Analysis for Lao PDR*, 2015.
[6] The country established a ninth Millennium Development Goal on UXO.
[7] World Bank, *World Development Indicators 2015*.
[8] Lao PDR Statistics Bureau and World Bank, *Poverty Profile in Lao PDR: Poverty Report for the Lao Consumption and Expenditure Survery, 2012-2013*, 2014
[9] World Bank, *Lao PDR Development Report*, 2014.
[10] Asian Development Bank, *Two Decades of Rising Inequality and Declining Poverty in the Lao People's Democratic Republic*, 2015.
[11] Ministry of Planning and Investment, Lao PDR Statistics Bureau and World Bank, *Poverty report for the Lao consumption and expenditure survey 2012-2013*, 2014.
[12] Ibid.
[13] Op. cit., note 6.
[14] Op. cit., note 4.
[15] United Nations Population Fund (UNFPA), *Population Situation Analysis, Lao PDR*, 2015.

22,000 people.[16] At the same time, approximately 70 per cent of the population is employed in agriculture, which is characterized by low productivity and high vulnerability.[17] Particularly in light of increasing risks from climate change, improving productivity in the agricultural sector is vital to further reducing poverty and improving livelihoods.

6. The non-resource sectors struggle to attract workers and the investments necessary to help boost productivity and wages. Workers lack the skills to benefit from higher-value job opportunities that already exist. Small and medium size enterprises (SMEs) are an important part of the economy, employing over 81 per cent of workers in registered firms,[18] but they face constraints accessing finance along with competition from the informal sector. The overall environment for investment and business development is poor.[19] The country has one of the youngest populations in the region – 58 per cent under 25 – and stands to benefit from a demographic dividend in the medium term.[20]

7. The country's reliance on natural resources exacerbates weaknesses and increases climate and disaster risks. Extractive use of natural resources has resulted in rapid loss of forest cover, biodiversity and wildlife over the last decade. While one fifth of the country's territory is designated as protected, more species are being threatened with extinction.[21] This disproportionately affects poor rural and ethnic communities. Inadequate monitoring and law enforcement remain key challenges.

8. Lao People's Democratic Republic is prone to a number of hazards. Recent climate projections show increasing temperatures, higher intensity of rainfall and longer dry periods, which can give rise to more severe droughts and flooding. Early warning systems and data management are weak. Climate risks are not well integrated into rural and agriculture development policies. Resilience in communities is low due to the prevalence of monoculture, lack of diversity in livelihoods and limited infrastructure. The estimated 80 million unexploded cluster sub-munitions continue to threaten lives, limit access to agricultural land and increase the costs of expanding roads, schools and medical facilities.

9. Governance institutions need to be strengthened to deliver on the Government's stated commitment to public service improvement, people's participation, rule of law and sound financial management. The NSEDP emphasizes the importance of improving governance. Yet capacity gaps and the quality of policies need to be addressed, and law-making, oversight and implementation mechanisms need improvement. The quality of and access to basic services are limited. Furthermore, the absence of citizen feedback mechanisms hampers delivery of services in rural areas.

10. In 2016, National Assembly (NA) elections resulted in a significant number of new parliamentarians, and Provincial People's Assemblies (PPAs) were elected for the first time. Both institutions require capacity-building to oversee implementation of the NSEDP and to better systematize public input into their work. The NA requires better systems to oversee administration of the Government, budget and national laws, and to ensure the quality of law-making. The PPAs need support in their oversight of the provincial administrations in executing laws and policies.

11. The country has made steady progress towards institutionalizing the rule of law, but challenges in the justice sector continue to impair access to justice. These include the capacity of judicial and legal professionals; implementation and enforcement of laws; people's participation in the law-making process; and harmonization of the domestic framework with international legal obligations. Lao People's Democratic Republic has ratified various international agreements, including seven of the nine core human rights treaties. However, these have not yet been fully

[16] Op. cit., note 8.
[17] Ibid.
[18] Op. cit., note 4.
[19] World Bank, *Doing Business Report*, 2016.
[20] Op. cit., note 14.
[21] Op. cit., note 4.

translated into the domestic legal framework. Key recommendations from the 2015 Universal Periodic Review addressed reform of the criminal justice system, protection of religious minorities, reform of land policies and ensuring freedom of the press, association and assembly.

12. Based on this analysis, the long-term development challenges are to develop a human resource-based growth strategy to create more job opportunities for better-skilled labour in higher value production and services outside the natural resource sector, and to reinvest for more inclusive and equitable growth through deliberate policy and investment choices and governance reforms. The pathway to addressing these challenges runs through three medium-term objectives: (a) strengthening the foundations for inclusive and responsive development; (b) enhancing economic resilience and environmental sustainability; and (c) building human capital and resilience.

13. The drivers of change UNDP will address are: (a) acceleration of human development through promotion of inclusiveness and reduction of inequalities; (b) promotion of sustainable management of natural resources and building resilience; and (c) improvement of governance capacity to formulate and implement high-quality public policies.

14. Reflecting findings from recent evaluations, the country programme has been designed to increase focus on policy advocacy for sustainable growth, capacity development at the subnational level and citizen engagement. The evaluations have indicated that UNDP needs to further invest in data generation and analysis, and to more deliberately identify strategies to ensure sustainability of programmes. These findings confirm that UNDP's comparative advantage arises from its trusted position as a government partner (it co-chairs the roundtable process); long-standing presence in the country; experience in mainstreaming livelihoods initiatives into programming; and demonstrated expertise in managing decentralization and promoting participation.

II. Programme priorities and partnerships

15. UNDP will collaborate with other United Nations agencies and development partners to address the priorities of Lao People's Democratic Republic through the United Nations Partnership Framework 2017-2021. The country programme has been formulated in consultation with the Government and other stakeholders to support achievement of the 8th NSEDP and the Sustainable Development Goals (SDGs), particularly Goals 1, 2, 5, 7, 8, 9, 10, 13, 15, 16 and 17, in addition to a local Goal 18 on UXO. The programme will also help the country meet its national objectives under the Vienna Programme of Action for Land-locked Developing Countries for the Decade 2014-2024 and the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020.

16. Based on the recommendations of the evaluation of the United Nations Development Assistance Framework 2012-2016, the country programme will focus on key target groups and consolidating the geographic coverage of its activities. UNDP will prioritize poor people and those most at risk of falling back into poverty, especially rural agricultural workers and communities in or near protected areas. UNDP will focus on youth, particularly young women, for skills development. It will also work to raise their awareness of their rights to access justice and public services. UNDP will more effectively leverage the presence and resources of the Government, United Nations agencies and other partners to achieve greater impact in remote areas.

17. The country programme focuses on support for policy and legislative reform and capacity building of government institutions. The resulting changes are expected to have a significant beneficial effect on a large proportion of the population. Sustainability is a major objective, with emphasis on institutional capacity building and integration of an exit strategy into project design.

18. Increasingly, UNDP will provide policy advisory services and act as a knowledge broker to help access the expertise and resources necessary to achieve more sustainable and inclusive growth. UNDP will also expand efforts to facilitate South-South and triangular cooperation, especially among ASEAN countries. Future initiatives will include (a) supporting knowledge

exchange with Viet Nam on people's engagement in legal sector; (b) considering the *Saemaul* approach (bottom-up rural development initiative) with the Republic of Korea to empower communities; and (c) facilitating experience sharing on people's engagement with the NA and regional counterparts. Building on these initiatives, UNDP will work with the Government to identify new opportunities for knowledge transfer. The goal is to address priority challenges such as agricultural productivity, sustainable resource management and disaster risk reduction. Partnerships will be strengthened with other United Nations agencies, Asian Development Bank, World Bank, Member States, civil society and the private sector.

Inclusive growth and reduced inequality

19. To build resilience from economic shocks and strengthen the foundation for more balanced and inclusive growth, the public and private sectors need a conducive policy, institutional and regulatory environment for investment. Other multilateral development partners, such as the World Bank and Asian Development Bank, have an established mechanism for providing livelihoods support for poverty reduction. UNDP will support the Government at national and provincial levels to improve capacities to plan, monitor and implement the NSEDP and the SDGs. This includes strengthening national statistical systems. Through its convening role in the round-table process, UNDP will strengthen policy dialogue and create systemic change to address inequalities, promote more inclusive development financing, and support the use of public-private partnerships for job creation and skills development. National and subnational institutions will be aided to develop productive capacities that support employment and livelihoods.

20. In response to recent evaluations,[22] support to UXO institutions will promote establishment of a system to prioritize the clearance of confirmed hazardous areas. It will also work to strengthen data management to inform UXO clearance and planning to align the UXO sector with the country's poverty reduction goals. Legislation, policies and strategies to achieve Goal 18 (on unexploded ordinance) will be developed and aligned.

Building resilience and environmental sustainability

21. To help build human capital, improve resilience and enhance access to livelihoods and decent work, UNDP will support the development of skills and capacities among women at community level. It will also aid the design of policies that help SMEs and farmers improve their productivity, expand their production base and move up the value chain. Food and nutrition security will be improved through supporting policies that promote sustainable land use and agrobiodiversity.

22. UNDP will help strengthen the legal and regulatory framework for disaster risk management and climate change through its support to the development of a disaster and climate change law. Measures to better manage climate and disaster risk will be integrated into national and subnational development planning and budgeting. This will help address capacity gaps in institutional coordination and early warning, while strengthening the country's ability to respond to disasters. Capacity in disaster statistics will be strengthened in line with the Sendai Framework for Disaster Risk Reduction and Agenda 2030.

23. UNDP will promote sustainable forestry, improved land use and management of protected areas through forest and wildlife conservation. Community engagement will focus on forest and wildlife conservation, livelihoods enhancement and food and nutrition security. Based on the terminal evaluation of the Support to Integrated Irrigated Agriculture in Two Districts in Bolikhamxay Project (2015), UNDP will seek to expand cooperation with provincial authorities to scale up and replicate successful initiatives.

24. UNDP will continue to provide policy, institutional and capacity development support to the Government for efforts to improve environmental impact assessments and enhance public

[22] Including *Evaluation of the UNDP contribution to mine action*, 2015, and *Evaluation of UNDP support to the UXO sector*, 2015.

participation, while also promoting corporate social responsibility for private sector investors. This will build on a systematic application of tools such as the initial environmental examination guidelines, provincial investment strategies and an investment database. Access to renewable energy will be increased in remote areas not linked with the national grid.

Capable and more responsive governance

25. UNDP will prioritize the strengthening of the NA and the PPAs. As recommended by the evaluation of the Governance and Public Administration Reform Project, this will include further support for the Government's *Sam Sang* Policy (on decentralization and local development). Capacity building for local administrations will help to address the gaps in quality and coverage of services between rural and urban areas.

26. Citizen engagement with district administrations will be enhanced through introduction of a district service monitoring framework and citizen surveys on access to and quality of services. These will be established at the provincial level to promote planning and budgeting of service investments and to broaden partnerships with citizens and the private sector. Partnerships between civil society and local administrations for better service delivery will be promoted through a new public service innovation facility.

27. UNDP will strengthen the oversight function of the NA, including on implementation of the NSEDP, and law-making to support the national priorities. Assistance will be targeted to put in place systems for review and public input, and to ensure that law-making and scrutiny are carried out in a gender-sensitive manner. UNDP will work with the PPAs to help put systems in place to oversee the activities of subnational administrations. This work will concentrate initially on one or more provinces with particular substantive needs covered by other parts of the country programme.

28. UNDP will continue to work with justice institutions and other stakeholders. Programmes will support better access to justice and legal aid services, focusing on women, ethnic groups and elderly people. The goal is to raise public understanding about how to exercise rights and benefit from public services. Support for the rule of law will be enhanced by developing the capacity of justice institutions, including through the establishment of a case-management system. The law-making process will be improved through support for effective public consultations, capacity development of legal drafters, and translation of international obligations into domestic laws and policies. Particular emphasis will be put on compliance with international human rights treaties and follow up on recommendations from the Universal Periodic Review.

III. Programme and risk management

29. This document outlines UNDP's planned contribution to national results and serves as the primary unit of accountability to the Executive Board for results alignment and resources assigned to the programme at the country level. Accountabilities of managers at country, regional and headquarters levels are prescribed in the organization's programme and operations policies and procedures and the internal controls framework. In accordance with the decisions and directives of UNDP's Executive Board, as reflected in its Policy on Cost Recovery from Other Resources, all direct costs of implementation, including the costs of executing entities or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.

30. UNDP has identified three major areas of risk for which mitigation strategies are required, related to climate and natural disasters; economic areas; and programmatic areas.

31. Regarding the first, climate-related events such as floods and droughts can result in both sudden- and slow-onset disasters that can affect livelihoods and result in loss of life and reduced productive capacity. Business continuity and emergency preparedness plans are in place, and the social and environmental standards screening approach will be applied to identify and manage adverse impacts.

32. Economic risks include an unexpected slowdown in GDP growth, and unforeseen adverse effects of integration with the AEC. Apart from impacts on poverty and equality, this could also lead to pressure to slow the pace of implementation of the NSEDP and SDGs. These risks are mitigated by (a) monitoring the situation closely with support from the International Monetary Fund and World Bank on macroeconomic issues; (b) working closely with the International Labour Organization and explore social protection measures that would reduce the impact of economic shocks on poor and vulnerable communities; and (c) working closely with the ASEAN Secretariat and monitoring the impact of integration within the AEC on the country's economy.

33. Programmatic risk arises largely from the potential for reduced levels of support from traditional donors and the consequent lack of resources to implement programming. This is mitigated both by implementing strong plans to mobilize resources, including from non-traditional sources, and by programme design.

34. The country programme will be nationally executed by the Government, under the coordination of the Department of International Cooperation at the Ministry of Planning and Investment. The United Nations Partnership Framework will serve as the overarching management instrument. National implementation will be the primary modality as it fosters capacity development within the Government and promotes national ownership. In other circumstances, such as when there is the need to manage programmatic risk, other implementation modalities also may be appropriate. These could include direct implementation or implementation by non-governmental organizations, as well as collaboration with the private sector. UNDP will continue to make use of technical advisers in ministries to provide advice and technical support, while country office staff will provide oversight, technical guidance and policy support.

35. The effectiveness of UNDP assistance depends on the sustained commitment of the Government to its national development objectives. It also depends on continued governance reforms, enforcement of laws, fulfilment of international standards, dedication of more resources to basic services, and creation of opportunities for civil society to participate in development planning.

IV. Monitoring and evaluation

36. Country programme monitoring will be coordinated within the framework of the NSEDP, drawing on national monitoring systems. Gaps in national statistics remain a key challenge. UNDP will therefore continue to strengthen national statistics systems, especially with respect to monitoring SDG achievement.

37. Performance and results will be monitored and evaluated at programme, outcome and output levels, in line with UNDP corporate monitoring and evaluation policies. Project assurance, including spot checks, will enhance internal oversight of implementing partners. All programming will be evaluated; in most cases this will involve a midterm and a terminal evaluation, as well as outcome evaluations and impact studies to ascertain the effect of interventions for targeted beneficiaries.

38. Theories of change will be developed for each project, and causal linkages will be established to overall outcomes with an emphasis on sustainability of programme results. Priority will be given to improving tracking of results, analysis of evidence for informed programming, and reporting on performance and lessons to facilitate learning and support accountability. UNDP will analyse risks and implement mitigation strategies. The UNDP Gender Marker will be used to monitor programme expenditures and improve planning and decision-making to ensure gender equality is well integrated into programmes. Efforts will be made to disaggregate data by gender, age and vulnerability.

Annex. Results and resources framework for Lao People's Democratic Republic (2017-2021)

NSEDP OUTCOME #1: Continued, firm and inclusive growth by consolidating strong economic foundations and reducing economic vulnerability.				
CPD OUTCOME #1 / UNITED NATIONS PARTNERSHIP FRAMEWORK (UNPF) OUTCOME #1: All women and men have increased opportunities for decent livelihoods and jobs.				
RELATED STRATEGIC PLAN OUTCOME, #1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for poor and excluded people.				
UNPF OUTCOME INDICATOR(S), BASELINES, TARGET(S)	**DATA SOURCE, FREQUENCY OF DATA COLLECTION AND RESPONSIBILITIES**	**INDICATIVE COUNTRY PROGRAMME OUTPUTS**	**MAJOR PARTNERS / PARTNERSHIPS FRAMEWORKS**	**INDICATIVE RESOURCES BY OUTCOME (US$)**
1.1. Percentage of population living below the national poverty line **Baseline:** 23.2% (2012-2013) **Target:** 16.2% (2020) **1.2. Gini coefficient** **Baseline:** 36.2 (2012/2013) **Target:** To be determined (2021) **1.3. Percentage of labour force in formal sector as a share of total employment** **Baseline:** 15.6% (female, 15%; male, 75%) (2010) **Target:** 30% (female, 30%, male, 70%) (2021)	**Source:** Lao Expenditure and Consumption Survey **Frequency:** Every 5 years **Responsibility:** Ministry of Planning and Investment (MPI), Lao Statistics Bureau (LSB),World Bank (WB) **Source:** Lao Expenditure and Consumption Survey **Frequency:** Every 5 years **Responsibility:** MPI, LSB, WB **Source:** National Labour Force Survey **Frequency:** Every 5 years **Responsibility:** MPI, International Labour Organization	**Output 1.1. National and subnational systems and institutions enabled to develop productive capacities that are employment and livelihoods intensive** **1.1.1.** Number of additional people benefiting from strengthened livelihoods through skills development programmes **Baseline:** 0 (2016) **Target:** 5,000 (women, 2,000; youth, 1,000; elderly, 500) (2021) **Data source and frequency:** Project report (annual) and UNDP impact survey (every 5 years) **1.1.2.** Number of additional jobs created through skills development programmes **Baseline:** 0 (2016) **Target:** 1,000 (women, 400; youth, 200) (2021) **Data source and frequency:** Project report (annual) and UNDP impact survey (every 5 years) **Output 1.2. Post-2015 agenda / SDG priorities localized and incorporated in 8th NSEDP** **1.2.1.** Extent to which national and provincial governments show improved capacities for results planning, monitoring and reporting on NSEDP implementation **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NSEDP report (annual) **1.2.2.** Extent to which national statistical systems allow collection of relevant data to track progress against localized SDGs with necessary	**Government** MPI, on behalf of line ministries **Other partners** WB, Asian Development Bank (ADB), bilateral agencies, other development partners	**Regular:** 2,909,000 **Other:** 34,800,000

		disaggregation **Baseline:** Not adequate (2016) **Target:** Adequate (2021) **Data source and frequency:** LSB reports (annual) **1.2.3.** Extent to which proposed SDG 18 is integrated into NSEDP **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NSEDP report, UXO sector report (annual) **Output 1.3. Institutional capacities are strengthened to further improve the contribution of the UXO sector to human development in contaminated communities** **1.3.1.** Percentage of population in UXO-contaminated communities who perceive that UXO interventions have supported improvements in safety and better lives **Baseline:** To be determined **Target:** To be determined **Data source and frequency:** UNDP impact survey, post-clearance assessment report (every 5 years) *Note: Baseline and target will be determined by UNDP impact survey.* **1.3.2.** Extent to which evidence-based task prioritization system utilized to support programming that is pro-poor, inclusive and livelihood-based **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** Project reports (annual)		

NSEDP OUTCOME #3: Natural resources and the environment are protected and sustainably managed, green growth is promoted, disaster preparedness is enhanced and climate resilience is developed.				
CPD OUTCOME #2 / UNPF OUTCOME #3: Forests and other ecosystems are protected and enhanced, and people are less vulnerable to climate-related events and disasters.				
RELATED STRATEGIC PLAN OUTCOME, #5: Countries are able to reduce the likelihood of conflict and lower the risk of natural disasters, including from climate change.				
2.1 Number of persons per 100,000 directly affected by natural disasters **Baseline:** Being established by Ministry of Natural Resources and Environment (MoNRE) **Target:** Being established by MoNRE **2.2. Proportion of land area covered by forest** **Baseline:** 46% (2015) **Target:** 70% (2020)	**Source:** National Disaster Information Management System **Frequency:** Annual **Responsibility:** MoNRE **Source:** Forest cover assessment report **Frequency:** Every 5 years **Responsibility:** Ministry of Agriculture and Forestry (MAF), Food and Agriculture Organization of the United Nations	**Output 2.1. Increased climate resilience of communities through small-scale infrastructure initiatives** **2.1.1.** Number of people benefitting from investments in small-scale irrigation systems **Baseline:** 16,000 (2015) **Target:** 50,000 (Women, 20,000; youth, 10,000) (2021) **Data source and frequency:** District progress reports/project reports, (annual) **2.1.2.** Number of new initiatives routinely investing in climate-resilient measures to improve village-level water harvesting, storage and distribution systems **Baseline:** 4 initiatives (2016) **Target:** 12 initiatives (2021) **Data source and frequency:** District development plan reports (annual) **2.1.3.** Number of communities implementing climate-smart methodologies for gender-responsive community services **Baseline:** 0 (2016) **Target:** 16 communities (2021) **Data source and frequency:** Project reports (annual) **Output 2.2. Strengthened legal framework for climate change adaptation, mitigation and disaster risk management** **2.2.1.** Gender-sensitive disaster and climate change law drafted **Baseline:** No law drafted (2015) **Target:** One law drafted (2017) **Data source and frequency:** NA list of laws, project reports (2017) **2.2.2.** Extent to which NA/PPAs have mechanisms and capacity to monitor the effective enforcement of climate change law	**Government** MONRE, MAF, MPI **Other partners** WB, ADB, international NGOs	**Regular:** 3,700,000 **Other:** 43,300,000

		Baseline: Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA and PPA reports (annual) **2.2.3.** Existence and effectiveness of standardized damage and loss accounting systems with sex- and age-disaggregated data collection and analysis, including gender analysis **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoNRE reports (annual) **Output 2.3. Improved management of natural resources and ecosystem benefits through sustainable forestry and land management practices** **2.3.1.** Amount of land under sustainable land management (in hectares) in five targeted districts **Baseline:** 0 (2015) **Target:** 698,746 (2021) **Data source and frequency:** Updated land degradation focal area portfolio monitoring and assessment tool (annual) **2.3.2.** Percentage of additional people benefiting from strengthened livelihoods through solutions for management of natural resources and ecosystem services **Baseline:** 0 (2016) **Target:** At least 60% of project beneficiaries declare a sustained increase in income annually until the end of the project (women, 40%, youth, 20%, poor people, 80%) (2021) **Data source and frequency:** Project reports (annual) (disaggregated by gender, youth, groups vulnerable to climate change, poverty and other factors) **Output 2.4. Ecosystem and agrobiodiversity management is contributing to food security and improved livelihoods in rural communities** **2.4.1.** Number of wildlife-based ecotourism projects for livelihoods operating in the project target area **Baseline:** 0 projects (2015) **Target:** 4 projects (2021) **Data source and frequency:** Signed agreements between Government		

		and tourism operators (every 5 years) **2.4.2.** Percentage of new women producers applying modern technology in food production systems **Baseline:** 0 (2016) **Target:** At least 40% (2021) **Data source and frequency:** Project reports (annual) **Output 2.5. Improved monitoring and enforcement of investment compliance by State institutions and community groups** **2.5.1.** Number of investment projects that conducted environmental social screening **Baseline:** 0 (2015) **Target:** 15 (2021) **Data source and frequency:** Department of Environmental and Social Impact Assessment/Investment Promotion Department (DESIA/IPD) database (annual) **2.5.2.** Number of provinces applying quality investment monitoring and enforcement tools **Baseline:** 6 (2015) **Target:** 17 (2021) **Data source and frequency:** DESIA/IPD database (annual) **Output 2.6 Inclusive and sustainable solutions adopted to increase energy efficiency and rural energy access** **2.6.1.** Number of additional people benefiting from rural electrification programme in project area **Baseline:** 0 (2016) **Target** 6,300 (2021) **Data source and frequency:** Department of Energy and Mines (DEM) reports (annual) **2.6.2.** Total amount of electricity generated by solar, wind or twin renewable energy options in new programme cycle **Baseline:** 0 (2015) **Target:** 2,040,000 kilowatt hours (2021) **Data source and frequency:** DEM reports (annual)		
NSEDP OUTCOME #2: Human resources developed; public/private workforce capacity upgraded; poverty in all ethnic groups reduced; equal access by female/male/all ethnic groups to quality				

education and health services; the unique Lao culture promoted, protected and developed; and political stability maintained with social peace and order, justice and transparency.				
CPD OUTCOME #3 / UNPF OUTCOME #7: Institutions and policies at national and local levels support the delivery of quality services that better respond to people's needs.				
RELATED STRATEGIC PLAN OUTCOME, #3: Countries have strengthened institutions to progressively deliver universal access to basic services.				
3.1. Number of new households receiving 2 or more basic services from their districts **Baseline:** 373,948 (2015) **Target:** 600,000 (2021) (disaggregated by type of services) **3.2. Percentile rank on the aggregate government effectiveness indicator** **Baseline:** 39.4 (2014) **Target:** 45 (2021) **3.3. Extent to which NSEDP monitoring informs evidence-based policy making** **Baseline:** Limited extent (2015) **Target:** Large extent (2021) **3.4. Percentage of women in NA, and in leadership positions in State and party** **Baseline:** 27.5% in NA (2016); 6.06% in leadership positions in State and party (2013) **Target:** 35% in NA; 20% in leadership positions in State and party (2021)	**Source:** Governance and public administration reform reports **Frequency:** Annual **Responsibility:** Ministry of Home Affairs (MoHA) **Source:** WB Worldwide Governance Indicator reports **Frequency:** Annual **Responsibility:** MPI/LSB/WB **Source:** NSEDP reports **Frequency**: Annual **Responsibility**: MPI/Ministry of Justice (MoJ)/UNDP **Source:** NA, MoHA reports **Frequency**: Annual **Responsibility:** NA, MoHA **Source:** Minutes maintained by law department of MoJ **Frequency:** Annual **Responsibility:** MoJ/UNDP	**Output 3.1. Local administrations able to develop and finance multisectoral plans based on community priorities** **3.1.1.** Number of district multisector project work plans co-financed by Government **Baseline:** 0 (2016) **Target:** 20 (2021) **Data source and frequency:** District Development Fund (DDF) reports (annual) **3.1.2.** Percentage of district administration offices using upgraded project management tools for better planning and budgeting of basic services **Baseline:** 43% (2016) **Target:** 67% (2021) **Data source and frequency:** DDF reports (annual) **3.1.3.** Number of people consulted in developing multisectoral plans **Baseline:** 0 (2017) **Target:** 225,000 (2021) **Data source and frequency:** District governor reports (annual) **Output 3.2. Accountability framework introduced and/or expanded at district level to capture and use citizen feedback for provision of basic services** **3.2.1.** Number of people giving feedback on the relevance and quality of services received **Baseline:** 0 (2015) **Target:** 15,750 (Women, 6,300; youth, 3,135) (2021) **Data source and frequency:** District user survey, MoHA report (every 5 years)	**Government** MOHA, Ministry of Finance, MPI, MOJ, MOFA, Ministry of Public Security, Office of Supreme People's Prosecutor, People's Supreme Court, National Commission for the Advancement of Women **Other partners** State Audit Organization, Non-profit associations, European Union, Lao Bar Association, International Development Partners	**Regular** 2,500,000 **Other** 16,100,000

3.5. Number of people's grievances redressed through courts and village mediation units (VMUs) using legal aid services **Baseline:** Formal courts, 4,000; VMUs, 4,746 (2015) **Target:** Formal courts, 7,000; VMUs, 8,000 (2021) **3.6. Number of laws certified by MoJ that are compliant with requirements of drafting/amending and public consultations** **Baseline:** 0 (2014) **Target:** 8 (2021) **3.7. Percentage of accepted recommendations of the second Univerjsal Periodic Review (UPR) cycle implemented** **Baseline:** 0% (2015) **Target:** 60% (70 of 116) (2021)	**Source:** Law-making baseline reports, MoJ reports **Frequency:** Every 5 years **Responsibility:** MOJ, reports from Peoples Supreme Court, UNDP **Source:** UPR reports, national reports submitted to treaty bodies, ministries, UN reports **Frequency:** Annual **Responsibility:** UPR stakeholders forum, UNDP	**3.2.2.** Extent to which mechanism is in place to incorporate citizen feedback in district-level priority setting **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoHA report (annual) **3.2.3.** Number of districts applying inputs from service users feedback for costed planning **Baseline:** 2 (2015) **Target:** 9 (2021) **Data source and frequency:** District governors' reports (annual) **Output 3.3. Multistakeholder governance processes promote dialogue and give feedback on implementation of policies related to the delivery of basic services** **3.3.1.** Number of multistakeholder policy discussions facilitated under governance sector working group to advance governance issues at national and provincial level **Baseline:** 6 (2016) **Target:** 48 (2021) **Data source and frequency:** MoHA reports (annual) **3.3.2.** Number of new public service innovation fund proposals awarded to expand the reach of services to remote groups **Baseline:** 0 (2016) **Target:** 50 (2021) **Data source and frequency:** Provincial governor reports (annual) **Output 3.4. People's institutions (NA/PPAs) better able to fulfil their legislative, oversight and representation mandates** **3.4.1.** Extent to which the NA women's committee is advocating mainstreaming of gender-related issues in all parliamentary work **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA reports (annual) **3.4.2.** Extent to which peoples' institutions have systems in place to monitor local administrations' implementation of NSEDP and SDGs **Baseline:** Not adequately (2016)		

		Target: Adequately (2021) **Data source and frequency:** NA and PPA reports (annual) *(Disaggregated by NA/PPA)* **3.4.3.** Extent to which PPA monitoring systems are developed and optimized by taking proper account of citizen expectation for service delivery **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA/PPA reports (annual) **Output 3.5. Legal and judicial institutional structure, arrangement and capacity improved to promote rule of law** **3.5.1.** Ratio of cases successfully enforced and monitored by MoJ to total cases submitted **Baseline:** 6.5:1 (2013) **Target:** 3:1 (2021) **Data source and frequency:** MoJ reports (annual) **3.5.2.** Percentage of officials surveyed who can make accurate reference to the legal drafting tools **Baseline**: 0 (2016) **Target:** 50% (2021) **Data source and frequency:** MOJ reports (annual) **Output 3.6. Increased public understanding of legal rights and information, and increased public participation in the legal system for equal access to justice** **3.6.1.** Percentage of laws incorporating comments received from public during law drafting and amending processes **Baseline:** 0% (2015) **Target:** 25% (2021) **Data source and frequency:** Law-making baseline reports (annual) **3.6.2.** Percentage of local residents citing their lack of knowledge and capacity as the main barrier to their access to the justice system **Baseline:** 37% (2014)		

		Target: 15% (2021) **Data source and frequency:** Public justice survey (every 5 years) **Output 3.7. Lao People's Democratic Republic better able to fulfil its international human rights obligations through treaty reporting and UPR process** **3.7.1.** UPR monitoring action forum established and enabled to review, monitor and report on UPR recommendations **Baseline:** Monitoring mechanism not in place (2016) **Target:** Monitoring mechanism functional (2017) **Data source and frequency:** UPR reports (annual) **3.7.2.** Existence of mechanism to seek inputs from relevant stakeholders including civil society to monitor and report on progress related to treaty bodies, country's treaty obligations **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoJ reports (annual)		
			Total: 103,309,000 **Regular: 9,109,000** **Other 94,200,000** **(Government cost sharing: 2,400,000)**	

United Nations DP/DCP/LAO/3/Rev.1

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

Distr.: General
8 August 2016

Original: English

Second regular session 2016
6-9 September 2016, New York
Item 3 of the provisional agenda
Country programmes and related matters

Country programme document for the Lao People's Democratic Republic (2017-2021)

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I. Programme rationale

1. The Lao People's Democratic Republic is a landlocked[1] least developed country of 6.5 million people. Since 1990 the country's ranking on the Human Development Index has increased 45 per cent, from 0.397 to 0.575.[2] Life expectancy at birth has increased from 53.6 to 66.2 years, and years of schooling from 6.7 to 10.6.[3] In 2011, the World Bank raised the country's income categorization to lower middle income. Graduation from least-developed-country status is a high priority in the 8th National Socio-Economic Development Plan (NSEDP) 2016-2020.

2. The country achieved its Millennium Development Goal targets on poverty, hunger reduction and access to safe water and sanitation. Significant challenges remain with respect to food security and nutrition; an estimated 44 per cent of children under 5 are stunted, and 27 per cent are severely underweight.[4] Maternal mortality remains high. The country faces low completion rates at all levels of education and a wide gender gap, especially at secondary and tertiary levels.[5] While the Constitution and many laws seek to advance gender equality, enforcement is weak. Little progress has been made in improving environmental sustainability, reversing forest loss and clearing land contaminated by unexploded ordnance (UXO).[6]

3. Potential economic vulnerabilities include high reliance on natural resources, low levels of social protection and geographical constraints. Improvements are also required to the institutional and regulatory enabling environment to take full advantage of the increasingly free flow of goods, capital and skilled labour within the Association of Southeast Asian Nations (ASEAN) Economic Community (AEC).

4. Economic growth has been strong, but it is neither inclusive nor balanced. Growth in gross domestic product (GDP) has averaged 7.9 per cent since 2006.[7] Poverty has been halved, from 46 per cent in 1992/1993 to 23 per cent in 2012/2013.[8] However, while the economy continues to grow rapidly, inequalities are increasing, in particular within urban areas and between urban and rural areas.[9, 10] Rural poverty rates are around three times higher than urban rates, and growth has primarily benefited those already better off. Poverty declined by just 0.47 per cent for every 1 per cent increase in GDP per capita between 2007/2008 and 2012/2013.[11] Consumption among the richest 20 per cent of households has grown almost two times faster than among the poorest 40 per cent in this period.[12] Consequently, the Gini coefficient increased from 36.6 in 2007 to 37.9 in 2012.[13] While the unemployment rate is low, at 1.9 per cent in 2010, women's share of wage employment is only 35 per cent.[14] Women from ethnic groups tend to move to their husbands' homes or communities, which can limit their access to education, employment opportunities outside the home, and land title and inheritance rights.[15]

5. The non-agricultural resource sector drives the country's economic expansion. With its high capital-to-labour ratio, this sector generated 18 per cent of GDP in 2013 while employing only 22,000 people.[16] At the same

[1] Also referred to as 'land linked', particularly in the Lao People's Democratic Republic.
[2] UNDP, *Human Development Report*, 2015.
[3] Ibid.
[4] Lao PDR Statistics Bureau, *Lao Social Indicator Survey (LSIS) 2011-12*, 2012
[5] United Nations *Country Analysis for Lao PDR*, 2015.
[6] The country established a ninth Millennium Development Goal on UXO.
[7] World Bank, *World Development Indicators, 2015.*
[8] Lao PDR Statistics Bureau and World Bank, *Poverty Profile in Lao PDR: Poverty Report for the Lao Consumption and Expenditure Survery, 2012-2013*, 2014
[9] World Bank, *Lao PDR Development Report*, 2014.
[10] Asian Development Bank, *Two Decades of Rising Inequality and Declining Poverty in the Lao People's Democratic Republic*, 2015.
[11] Ministry of Planning and Investment, Lao PDR Statistics Bureau and World Bank, *Poverty report for the Lao consumption and expenditure survey 2012-2013*, 2014.
[12] Ibid.
[13] Op. cit., note 6.
[14] Op. cit., note 4.
[15] United Nations Population Fund (UNFPA), *Population Situation Analysis, Lao PDR*, 2015.
[16] Op. cit., note 8.

time, approximately 70 per cent of the population is employed in agriculture, which is characterized by low productivity and high vulnerability.[17] Particularly in light of increasing risks from climate change, improving productivity in the agricultural sector is vital to further reducing poverty and improving livelihoods.

6. The non-resource sectors struggle to attract workers and the investments necessary to help boost productivity and wages. Workers lack the skills to benefit from higher-value job opportunities that already exist. Small and medium size enterprises (SMEs) are an important part of the economy, employing over 81 per cent of workers in registered firms,[18] but they face constraints accessing finance along with competition from the informal sector. The overall environment for investment and business development is poor.[19] The country has one of the youngest populations in the region – 58 per cent under 25 – and stands to benefit from a demographic dividend in the medium term.[20]

7. The country's reliance on natural resources exacerbates weaknesses and increases climate and disaster risks. Extractive use of natural resources has resulted in rapid loss of forest cover, biodiversity and wildlife over the last decade. While one fifth of the country's territory is designated as protected, more species are being threatened with extinction.[21] This disproportionately affects poor rural and ethnic communities. Inadequate monitoring and law enforcement remain key challenges.

8. Lao People's Democratic Republic is prone to a number of hazards. Recent climate projections show increasing temperatures, higher intensity of rainfall and longer dry periods, which can give rise to more severe droughts and flooding. Early warning systems and data management are weak. Climate risks are not well integrated into rural and agriculture development policies. Resilience in communities is low due to the prevalence of monoculture, lack of diversity in livelihoods and limited infrastructure. The estimated 80 million unexploded cluster sub-munitions continue to threaten lives, limit access to agricultural land and increase the costs of expanding roads, schools and medical facilities.

9. Governance institutions need to be strengthened to deliver on the Government's stated commitment to public service improvement, people's participation, rule of law and sound financial management. The NSEDP emphasizes the importance of improving governance. Yet capacity gaps and the quality of policies need to be addressed, and law-making, oversight and implementation mechanisms need improvement. The quality of and access to basic services are limited. Furthermore, the absence of citizen feedback mechanisms hampers delivery of services in rural areas.

10. In 2016, National Assembly (NA) elections resulted in a significant number of new parliamentarians, and Provincial People's Assemblies (PPAs) were elected for the first time. Both institutions require capacity-building to oversee implementation of the NSEDP and to better systematize public input into their work. The NA requires better systems to oversee administration of the Government, budget and national laws, and to ensure the quality of law-making. The PPAs need support in their oversight of the provincial administrations in executing laws and policies.

11. The country has made steady progress towards institutionalizing the rule of law, but challenges in the justice sector continue to impair access to justice. These include the capacity of judicial and legal professionals; implementation and enforcement of laws; people's participation in the law-making process; and harmonization of the domestic framework with international legal obligations. Lao People's Democratic Republic has ratified various international agreements, including seven of the nine core human rights treaties. However, these have not yet been fully translated into the domestic legal framework. Key recommendations from the 2015 Universal Periodic Review addressed reform of the criminal justice system, protection of religious minorities, reform of land policies and ensuring freedom of the press, association and assembly.

[17] Ibid.
[18] Op. cit., note 4.
[19] World Bank, *Doing Business Report*, 2016.
[20] Op. cit., note 14.
[21] Op. cit., note 4.

12. Based on this analysis, the long-term development challenges are to develop a human resource-based growth strategy to create more job opportunities for better-skilled labour in higher value production and services outside the natural resource sector, and to reinvest for more inclusive and equitable growth through deliberate policy and investment choices and governance reforms. The pathway to addressing these challenges runs through three medium-term objectives: (a) strengthening the foundations for inclusive and responsive development; (b) enhancing economic resilience and environmental sustainability; and (c) building human capital and resilience.

13. The drivers of change UNDP will address are: (a) acceleration of human development through promotion of inclusiveness and reduction of inequalities; (b) promotion of sustainable management of natural resources and building resilience; and (c) improvement of governance capacity to formulate and implement high-quality public policies.

14. Reflecting findings from recent evaluations, the country programme has been designed to increase focus on policy advocacy for sustainable growth, capacity development at the subnational level and citizen engagement. The evaluations have indicated that UNDP needs to further invest in data generation and analysis, and to more deliberately identify strategies to ensure sustainability of programmes. These findings confirm that UNDP's comparative advantage arises from its trusted position as a government partner (it co-chairs the roundtable process); long-standing presence in the country; experience in mainstreaming livelihoods initiatives into programming; and demonstrated expertise in managing decentralization and promoting participation.

II. Programme priorities and partnerships

15. UNDP will collaborate with other United Nations agencies and development partners to address the priorities of Lao People's Democratic Republic through the United Nations Partnership Framework 2017-2021. The country programme has been formulated in consultation with the Government and other stakeholders to support achievement of the 8th NSEDP and the Sustainable Development Goals (SDGs), particularly Goals 1, 2, 5, 7, 8, 9, 10, 13, 15, 16 and 17, in addition to a local Goal 18 on UXO. The programme will also help the country meet its national objectives under the Vienna Programme of Action for Land-locked Developing Countries for the Decade 2014-2024 and the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020.

16. Based on the recommendations of the evaluation of the United Nations Development Assistance Framework 2012-2016, the country programme will focus on key target groups and consolidating the geographic coverage of its activities. UNDP will prioritize poor people and those most at risk of falling back into poverty, especially rural agricultural workers and communities in or near protected areas. UNDP will focus on youth, particularly young women, for skills development. It will also work to raise their awareness of their rights to access justice and public services. UNDP will more effectively leverage the presence and resources of the Government, United Nations agencies and other partners to achieve greater impact in remote areas.

17. The country programme focuses on support for policy and legislative reform and capacity building of government institutions. The resulting changes are expected to have a significant beneficial effect on a large proportion of the population. Sustainability is a major objective, with emphasis on institutional capacity building and integration of an exit strategy into project design.

18. Increasingly, UNDP will provide policy advisory services and act as a knowledge broker to help access the expertise and resources necessary to achieve more sustainable and inclusive growth. UNDP will also expand efforts to facilitate South-South and triangular cooperation, especially among ASEAN countries. Future initiatives will include (a) supporting knowledge exchange with Viet Nam on people's engagement in legal sector; (b) considering the *Saemaul* approach (bottom-up rural development initiative) with the Republic of Korea to empower communities; and (c) facilitating experience sharing on people's engagement with the NA and regional counterparts. Building on these initiatives, UNDP will work with the Government to identify new opportunities for knowledge transfer. The goal is to address priority challenges such as agricultural productivity, sustainable resource management and disaster risk reduction. Partnerships will be strengthened with other United Nations agencies, Asian Development Bank, World Bank, Member States, civil society and the private sector.

Inclusive growth and reduced inequality

19. To build resilience from economic shocks and strengthen the foundation for more balanced and inclusive growth, the public and private sectors need a conducive policy, institutional and regulatory environment for investment. Other multilateral development partners, such as the World Bank and Asian Development Bank, have an established mechanism for providing livelihoods support for poverty reduction. UNDP will support the Government at national and provincial levels to improve capacities to plan, monitor and implement the NSEDP and the SDGs. This includes strengthening national statistical systems. Through its convening role in the round-table process, UNDP will strengthen policy dialogue and create systemic change to address inequalities, promote more inclusive development financing, and support the use of public-private partnerships for job creation and skills development. National and subnational institutions will be aided to develop productive capacities that support employment and livelihoods.

20. In response to recent evaluations,[22] support to UXO institutions will promote establishment of a system to prioritize the clearance of confirmed hazardous areas. It will also work to strengthen data management to inform UXO clearance and planning to align the UXO sector with the country's poverty reduction goals. Legislation, policies and strategies to achieve Goal 18 (on unexploded ordinance) will be developed and aligned.

Building resilience and environmental sustainability

21. To help build human capital, improve resilience and enhance access to livelihoods and decent work, UNDP will support the development of skills and capacities among women at community level. It will also aid the design of policies that help SMEs and farmers improve their productivity, expand their production base and move up the value chain. Food and nutrition security will be improved through supporting policies that promote sustainable land use and agrobiodiversity.

22. UNDP will help strengthen the legal and regulatory framework for disaster risk management and climate change through its support to the development of a disaster and climate change law. Measures to better manage climate and disaster risk will be integrated into national and subnational development planning and budgeting. This will help address capacity gaps in institutional coordination and early warning, while strengthening the country's ability to respond to disasters. Capacity in disaster statistics will be strengthened in line with the Sendai Framework for Disaster Risk Reduction and Agenda 2030.

23. UNDP will promote sustainable forestry, improved land use and management of protected areas through forest and wildlife conservation. Community engagement will focus on forest and wildlife conservation, livelihoods enhancement and food and nutrition security. Based on the terminal evaluation of the Support to Integrated Irrigated Agriculture in Two Districts in Bolikhamxay Project (2015), UNDP will seek to expand cooperation with provincial authorities to scale up and replicate successful initiatives.

24. UNDP will continue to provide policy, institutional and capacity development support to the Government for efforts to improve environmental impact assessments and enhance public participation, while also promoting corporate social responsibility for private sector investors. This will build on a systematic application of tools such as the initial environmental examination guidelines, provincial investment strategies and an investment database. Access to renewable energy will be increased in remote areas not linked with the national grid.

Capable and more responsive governance

25. UNDP will prioritize the strengthening of the NA and the PPAs. As recommended by the evaluation of the Governance and Public Administration Reform Project, this will include further support for the Government's *Sam Sang* Policy (on decentralization and local development). Capacity building for local administrations will help to address the gaps in quality and coverage of services between rural and urban areas.

26. Citizen engagement with district administrations will be enhanced through introduction of a district service monitoring framework and citizen surveys on access to and quality of services. These will be established at the provincial level to promote planning and budgeting of service investments and to broaden partnerships with

[22] Including *Evaluation of the UNDP contribution to mine action*, 2015, and *Evaluation of UNDP support to the UXO sector*, 2015.

citizens and the private sector. Partnerships between civil society and local administrations for better service delivery will be promoted through a new public service innovation facility.

27. UNDP will strengthen the oversight function of the NA, including on implementation of the NSEDP, and law-making to support the national priorities. Assistance will be targeted to put in place systems for review and public input, and to ensure that law-making and scrutiny are carried out in a gender-sensitive manner. UNDP will work with the PPAs to help put systems in place to oversee the activities of subnational administrations. This work will concentrate initially on one or more provinces with particular substantive needs covered by other parts of the country programme.

28. UNDP will continue to work with justice institutions and other stakeholders. Programmes will support better access to justice and legal aid services, focusing on women, ethnic groups and elderly people. The goal is to raise public understanding about how to exercise rights and benefit from public services. Support for the rule of law will be enhanced by developing the capacity of justice institutions, including through the establishment of a case-management system. The law-making process will be improved through support for effective public consultations, capacity development of legal drafters, and translation of international obligations into domestic laws and policies. Particular emphasis will be put on compliance with international human rights treaties and follow up on recommendations from the Universal Periodic Review.

III. Programme and risk management

29. This document outlines UNDP's planned contribution to national results and serves as the primary unit of accountability to the Executive Board for results alignment and resources assigned to the programme at the country level. Accountabilities of managers at country, regional and headquarters levels are prescribed in the organization's programme and operations policies and procedures and the internal controls framework. In accordance with the decisions and directives of UNDP's Executive Board, as reflected in its Policy on Cost Recovery from Other Resources, all direct costs of implementation, including the costs of executing entities or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.

30. UNDP has identified three major areas of risk for which mitigation strategies are required, related to climate and natural disasters; economic areas; and programmatic areas.

31. Regarding the first, climate-related events such as floods and droughts can result in both sudden- and slow-onset disasters that can affect livelihoods and result in loss of life and reduced productive capacity. Business continuity and emergency preparedness plans are in place, and the social and environmental standards screening approach will be applied to identify and manage adverse impacts.

32. Economic risks include an unexpected slowdown in GDP growth, and unforeseen adverse effects of integration with the AEC. Apart from impacts on poverty and equality, this could also lead to pressure to slow the pace of implementation of the NSEDP and SDGs. These risks are mitigated by (a) monitoring the situation closely with support from the International Monetary Fund and World Bank on macroeconomic issues; (b) working closely with the International Labour Organization and explore social protection measures that would reduce the impact of economic shocks on poor and vulnerable communities; and (c) working closely with the ASEAN Secretariat and monitoring the impact of integration within the AEC on the country's economy.

33. Programmatic risk arises largely from the potential for reduced levels of support from traditional donors and the consequent lack of resources to implement programming. This is mitigated both by implementing strong plans to mobilize resources, including from non-traditional sources, and by programme design.

34. The country programme will be nationally executed by the Government, under the coordination of the Department of International Cooperation at the Ministry of Planning and Investment. The United Nations Partnership Framework will serve as the overarching management instrument. National implementation will be the primary modality as it fosters capacity development within the Government and promotes national ownership. In other circumstances, such as when there is the need to manage programmatic risk, other implementation modalities also may be appropriate. These could include direct implementation or implementation by non-governmental organizations, as well as collaboration with the private sector. UNDP will

continue to make use of technical advisers in ministries to provide advice and technical support, while country office staff will provide oversight, technical guidance and policy support.

35. The effectiveness of UNDP assistance depends on the sustained commitment of the Government to its national development objectives. It also depends on continued governance reforms, enforcement of laws, fulfilment of international standards, dedication of more resources to basic services, and creation of opportunities for civil society to participate in development planning.

IV. Monitoring and evaluation

36. Country programme monitoring will be coordinated within the framework of the NSEDP, drawing on national monitoring systems. Gaps in national statistics remain a key challenge. UNDP will therefore continue to strengthen national statistics systems, especially with respect to monitoring SDG achievement.

37. Performance and results will be monitored and evaluated at programme, outcome and output levels, in line with UNDP corporate monitoring and evaluation policies. Project assurance, including spot checks, will enhance internal oversight of implementing partners. All programming will be evaluated; in most cases this will involve a midterm and a terminal evaluation, as well as outcome evaluations and impact studies to ascertain the effect of interventions for targeted beneficiaries.

38. Theories of change will be developed for each project, and causal linkages will be established to overall outcomes with an emphasis on sustainability of programme results. Priority will be given to improving tracking of results, analysis of evidence for informed programming, and reporting on performance and lessons to facilitate learning and support accountability. UNDP will analyse risks and implement mitigation strategies. The UNDP Gender Marker will be used to monitor programme expenditures and improve planning and decision-making to ensure gender equality is well integrated into programmes. Efforts will be made to disaggregate data by gender, age and vulnerability.

Annex. Results and resources framework for Lao People's Democratic Republic (2017-2021)

NSEDP OUTCOME #1: Continued, firm and inclusive growth by consolidating strong economic foundations and reducing economic vulnerability.				
CPD OUTCOME #1 / UNITED NATIONS PARTNERSHIP FRAMEWORK (UNPF) OUTCOME #1: All women and men have increased opportunities for decent livelihoods and jobs.				
RELATED STRATEGIC PLAN OUTCOME, #1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for poor and excluded people.				
UNPF OUTCOME INDICATOR(S), BASELINES, TARGET(S)	**DATA SOURCE, FREQUENCY OF DATA COLLECTION AND RESPONSIBILITIES**	**INDICATIVE COUNTRY PROGRAMME OUTPUTS**	**MAJOR PARTNERS / PARTNERSHIPS FRAMEWORKS**	**INDICATIVE RESOURCES BY OUTCOME (US$)**
1.1. Percentage of population living below the national poverty line **Baseline:** 23.2% (2012-2013) **Target:** 16.2% (2020) **1.2. Gini coefficient** **Baseline:** 36.2 (2012/2013) **Target:** To be determined (2021) **1.3. Percentage of labour force in formal sector as a share of total employment** **Baseline:** 15.6% (female, 15%; male, 75%) (2010) **Target:** 30% (female, 30%; male, 70%) (2021)	**Source:** Lao Expenditure and Consumption Survey **Frequency:** Every 5 years **Responsibility:** Ministry of Planning and Investment (MPI), Lao Statistics Bureau (LSB),World Bank (WB) **Source:** Lao Expenditure and Consumption Survey **Frequency:** Every 5 years **Responsibility:** MPI, LSB, WB **Source:** National Labour Force Survey **Frequency:** Every 5 years **Responsibility:** MPI, International Labour Organization	**Output 1.1. National and subnational systems and institutions enabled to develop productive capacities that are employment and livelihoods intensive** **1.1.1.** Number of additional people benefiting from strengthened livelihoods through skills development programmes **Baseline:** 0 (2016) **Target:** 5,000 (women, 2,000; youth, 1,000; elderly, 500) (2021) **Data source and frequency:** Project report (annual) and UNDP impact survey (every 5 years) **1.1.2.** Number of additional jobs created through skills development programmes **Baseline:** 0 (2016) **Target:** 1,000 (women, 400; youth, 200) (2021) **Data source and frequency:** Project report (annual) and UNDP impact survey (every 5 years) **Output 1.2. Post-2015 agenda / SDG priorities localized and incorporated in 8th NSEDP** **1.2.1.** Extent to which national and provincial governments show improved capacities for results planning, monitoring and reporting on NSEDP implementation **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NSEDP report (annual)	**Government** MPI, on behalf of line ministries **Other partners** WB, Asian Development Bank (ADB), bilateral agencies, other development partners	**Regular:** 2,909,000 **Other:** 34,800,000

		1.2.2. Extent to which national statistical systems allow collection of relevant data to track progress against localized SDGs with necessary disaggregation **Baseline:** Not adequate (2016) **Target:** Adequate (2021) **Data source and frequency:** LSB reports (annual) **1.2.3.** Extent to which proposed SDG 18 is integrated into NSEDP **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NSEDP report, UXO sector report (annual) **Output 1.3. Institutional capacities are strengthened to further improve the contribution of the UXO sector to human development in contaminated communities** **1.3.1.** Percentage of population in UXO-contaminated communities who perceive that UXO interventions have supported improvements in safety and better lives **Baseline:** To be determined **Target:** To be determined **Data source and frequency:** UNDP impact survey, post-clearance assessment report (every 5 years) *Note: Baseline and target will be determined by UNDP impact survey* **1.3.2.** Extent to which evidence-based task prioritization system utilized to support programming that is pro-poor, inclusive and livelihood-based **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** Project reports (annual)		

NSEDP OUTCOME #3: Natural resources and the environment are protected and sustainably managed, green growth is promoted, disaster preparedness is enhanced and climate resilience is developed.				
CPD OUTCOME #2 / UNPF OUTCOME #3: Forests and other ecosystems are protected and enhanced, and people are less vulnerable to climate-related events and disasters.				
RELATED STRATEGIC PLAN OUTCOME, #5: Countries are able to reduce the likelihood of conflict and lower the risk of natural disasters, including from climate change.				
2.1 Number of persons per 100,000 directly affected by natural disasters **Baseline:** Being established by Ministry of Natural Resources and Environment (MoNRE) **Target:** Being established by MoNRE **2.2. Proportion of land area covered by forest** **Baseline:** 46% (2015) **Target:** 70% (2020)	**Source:** National Disaster Information Management System **Frequency:** Annual **Responsibility:** MoNRE **Source:** Forest cover assessment report **Frequency:** Every 5 years **Responsibility:** Ministry of Agriculture and Forestry (MAF), Food and Agriculture Organization of the United Nations	**Output 2.1. Increased climate resilience of communities through small-scale infrastructure initiatives** **2.1.1.** Number of people benefitting from investments in small-scale irrigation systems **Baseline:** 16,000 (2015) **Target:** 50,000 (Women, 20,000; youth, 10,000) (2021) **Data source and frequency:** District progress reports/project reports (annual) **2.1.2.** Number of new initiatives routinely investing in climate- resilient measures to improve village-level water harvesting, storage and distribution systems **Baseline:** 4 initiatives (2016) **Target:** 12 initiatives (2021) **Data source and frequency:** District development plan reports (annual) **2.1.3.** Number of communities implementing climate-smart methodologies for gender-responsive community services **Baseline:** 0 (2016) **Target:** 16 communities (2021) **Data source and frequency:** Project reports (annual) **Output 2.2. Strengthened legal framework for climate change adaptation, mitigation and disaster risk management** **2.2.1.** Gender-sensitive disaster and climate change law drafted **Baseline:** No law drafted (2015) **Target:** One law drafted (2017) **Data source and frequency:** NA list of laws, project reports (2017)	**Government** MONRE, MAF, MPI **Other partners** WB, ADB, international NGOs	**Regular:** 3,700,000 **Other:** 43,300,000

		2.2.2. Extent to which NA/PPAs have mechanisms and capacity to monitor the effective enforcement of climate change law **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA and PPA reports (annual) **2.2.3.** Existence and effectiveness of standardized damage and loss accounting systems with sex- and age-disaggregated data collection and analysis, including gender analysis **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoNRE reports (annual)			
		Output 2.3. Improved management of natural resources and ecosystem benefits through sustainable forestry and land management practices **2.3.1.** Amount of land under sustainable land management (in hectares) in five targeted districts **Baseline:** 0 (2015) **Target:** 698,746 (2021) **Data source and frequency:** Updated land degradation focal area portfolio monitoring and assessment tool (annual) **2.3.2.** Percentage of additional people benefiting from strengthened livelihoods through solutions for management of natural resources and ecosystem services **Baseline:** 0 (2016) **Target:** At least 60% of project beneficiaries declare a sustained increase in income annually until the end of the project (women, 40%, youth, 20%, poor people, 80%) (2021) **Data source and frequency:** Project reports (annual) (disaggregated by gender, youth, groups vulnerable to climate change, poverty and other factors)			
		Output 2.4. Ecosystem and agrobiodiversity management is contributing to food security and improved livelihoods in rural communities **2.4.1.** Number of wildlife-based ecotourism projects for livelihoods operating in the project target area **Baseline:** 0 projects (2015)			

		Target: 4 projects (2021) **Data source and frequency:** Signed agreements between Government and tourism operators (every 5 years) **2.4.2.** Percentage of new women producers applying modern technology in food production systems **Baseline:** 0 (2016) **Target:** At least 40% (2021) **Data source and frequency:** Project reports (annual) **Output 2.5. Improved monitoring and enforcement of investment compliance by State institutions and community groups** **2.5.1.** Number of investment projects that conducted environmental social screening **Baseline:** 0 (2015) **Target:** 15 (2021) **Data source and frequency:** Department of Environmental and Social Impact Assessment/Investment Promotion Department (DESIA/IPD) database (annual) **2.5.2.** Number of provinces applying q[illegible] investment monitoring and enforcement tools **Baseline:** 6 (2015) **Target:** 17 (2021) **Data source and frequency:** DESIA/IPD database (annual) **Output 2.6 Inclusive and sustainable solutions adopted to increase energy efficiency and rural energy access** **2.6.1.** Number of additional people benefiting from rural electrification programme in project area **Baseline:** 0 (2016) **Target**: 6,300 (2021) **Data source and frequency:** Department of Energy and Mines (DEM) reports (annual) **2.6.2.** Total amount of electricity generated by solar, wind or twin renewable energy options in new programme cycle **Baseline:** 0 (2015) **Target:** 2,040,000 kilowatt hours (2021) **Data source and frequency:** DEM reports (annual)		

NSEDP OUTCOME #2: Human resources developed; public/private workforce capacity upgraded; poverty in all ethnic groups reduced; equal access by female/male/all ethnic groups to quality education and health services; the unique Lao culture promoted, protected and developed; and political stability maintained with social peace and order, justice and transparency.				
CPD OUTCOME #3 / UNPF OUTCOME #7: Institutions and policies at national and local levels support the delivery of quality services that better respond to people's needs.				
RELATED STRATEGIC PLAN OUTCOME, #3: Countries have strengthened institutions to progressively deliver universal access to basic services.				
3.1. Number of new households receiving 2 or more basic services from their districts **Baseline:** 373,948 (2015) **Target:** 600,000 (2021) (disaggregated by type of services) **3.2. Percentile rank on the aggregate government effectiveness indicator** **Baseline:** 39.4 (2014) **Target:** 45 (2021) **3.3. Extent to which NSEDP monitoring informs evidence-based policy making** **Baseline:** Limited extent (2015) **Target:** Large extent (2021) **3.4. Percentage of women in NA, and in leadership positions in State and party** **Baseline:** 27.5% in NA (2016); 6.06% in leadership positions in State and party (2013) **Target:** 35% in NA; 20% in leadership positions in State and party (2021)	**Source:** Governance and public administration reform reports **Frequency:** Annual **Responsibility:** Ministry of Home Affairs (MoHA) **Source:** WB Worldwide Governance Indicator reports **Frequency:** Annual **Responsibility:** MPI/LSB/WB **Source:** NSEDP reports **Frequency**: Annual **Responsibility**: MPI/Ministry of Justice (MoJ)/UNDP **Source:** NA, MoHA reports **Frequency**: Annual **Responsibility:** NA, MoHA **Source:** Minutes maintained by law department of MoJ **Frequency:** Annual **Responsibility:** MoJ/UNDP	**Output 3.1. Local administrations able to develop and finance multisectoral plans based on community priorities** **3.1.1.** Number of district multisector project work plans co-financed by Government **Baseline:** 0 (2016) **Target:** 20 (2021) **Data source and frequency:** District Development Fund (DDF) reports (annual) **3.1.2.** Percentage of district administration offices using upgraded project management tools for better planning and budgeting of basic services **Baseline:** 43% (2016) **Target:** 67% (2021) **Data source and frequency:** DDF reports (annual) **3.1.3.** Number of people consulted in developing multisectoral plans **Baseline:** 0 (2017) **Target:** 225,000 (2021) **Data source and frequency:** District governor reports (annual) **Output 3.2. Accountability framework introduced and/or expanded at district level to capture and use citizen feedback for provision of basic services** **3.2.1.** Number of people giving feedback on the relevance and quality of services received **Baseline:** 0 (2015) **Target:** 15,750 (Women, 6,300; youth, 3,135) (2021) **Data source and frequency:** District user survey, MoHA report (every 5 years)	**Government** MOHA, Ministry of Finance, MPI, MOJ, MOFA, Ministry of Public Security, Office of Supreme People's Prosecutor, People's Supreme Court, National Commission for the Advancement of Women **Other partners** State Audit Organization, Non-profit associations, European Union, Lao Bar Association, International Development Partners	**Regular** 2,500,000 **Other** 16,100,000

3.5. Number of people's grievances redressed through courts and village mediation units (VMUs) using legal aid services **Baseline:** Formal courts, 4,000; VMUs, 4,746 (2015) **Target:** Formal courts, 7,000; VMUs, 8,000 (2021) **3.6. Number of laws certified by MoJ that are compliant with requirements of drafting/amending and public consultations** **Baseline:** 0 (2014) **Target:** 8 (2021) **3.7. Percentage of accepted recommendations of the second Univerjsal Periodic Review (UPR) cycle implemented** **Baseline:** 0% (2015) **Target:** 60% (70 of 116) (2021)	**Source:** Law-making baseline reports, MoJ reports **Frequency:** Every 5 years **Responsibility:** MOJ, reports from Peoples Supreme Court, UNDP **Source:** UPR reports, national reports submitted to treaty bodies, ministries, UN reports **Frequency:** Annual **Responsibility:** UPR stakeholders forum, UNDP	**3.2.2.** Extent to which mechanism is in place to incorporate citizen feedback in district-level priority setting **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoHA report (annual) **3.2.3.** Number of districts applying inputs from service users feedback for costed planning **Baseline:** 2 (2015) **Target:** 9 (2021) **Data source and frequency:** District governors' reports (annual) **Output 3.3. Multistakeholder governance processes promote dialogue and give feedback on implementation of policies related to the delivery of basic services** **3.3.1.** Number of multistakeholder policy discussions facilitated under governance sector working group to advance governance issues at national and provincial level **Baseline:** 6 (2016) **Target:** 48 (2021) **Data source and frequency:** MoHA reports (annual) **3.3.2.** Number of new public service innovation fund proposals awarded to expand the reach of services to remote groups **Baseline:** 0 (2016) **Target:** 50 (2021) **Data source and frequency:** Provincial governor reports (annual) **Output 3.4. People's institutions (NA/PPAs) better able to fulfil their legislative, oversight and representation mandates** **3.4.1.** Extent to which the NA women's committee is advocating mainstreaming of gender-related issues in all parliamentary work **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA reports (annual)		

		3.4.2. Extent to which peoples' institutions have systems in place to monitor local administrations' implementation of NSEDP and SDGs **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA and PPA reports (annual) *(Disaggregated by NA/PPA)* **3.4.3.** Extent to which PPA monitoring systems are developed and optimized by taking proper account of citizen expectation for service delivery **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** NA/PPA reports (annual) **Output 3.5. Legal and judicial institutional structure, arrangement and capacity improved to promote rule of law** **3.5.1.** Ratio of cases successfully enforced and monitored by MoJ to total cases submitted **Baseline:** 6.5:1 (2013) **Target:** 3:1 (2021) **Data source and frequency:** MoJ reports (annual) **3.5.2.** Percentage of officials surveyed who can make accurate reference to the legal drafting tools **Baseline**: 0 (2016) **Target:** 50% (2021) **Data source and frequency:** MOJ reports (annual) **Output 3.6. Increased public understanding of legal rights and information, and increased public participation in the legal system for equal access to justice** **3.6.1.** Percentage of laws incorporating comments received from public during law drafting and amending processes **Baseline:** 0% (2015) **Target:** 25% (2021) **Data source and frequency:** Law-making baseline reports (annual)		

		3.6.2. Percentage of local residents citing their lack of knowledge and capacity as the main barrier to their access to the justice system **Baseline:** 37% (2014) **Target:** 15% (2021) **Data source and frequency:** Public justice survey (every 5 years) **Output 3.7. Lao People's Democratic Republic better able to fulfil its international human rights obligations through treaty reporting and UPR process** **3.7.1.** UPR monitoring action forum established and enabled to review, monitor and report on UPR recommendations **Baseline:** Monitoring mechanism not in place (2016) **Target:** Monitoring mechanism functional (2017) **Data source and frequency:** UPR reports (annual) **3.7.2.** Existence of mechanism to seek inputs from relevant stakeholders including civil society to monitor and report on progress related to treaty bodies, country's treaty obligations **Baseline:** Not adequately (2016) **Target:** Adequately (2021) **Data source and frequency:** MoJ reports (annual)		**Total: 103,309,000** **Regular: 9,109,000** **Other 94,200,000**